

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
W. R. GRACE & CO., <u>et al.</u> ,	)	Case No. 01-01139 (JKF)
	)	Jointly Administered
Debtors,	)	Re: Docket No. <u>9211</u> and
		5/16/05 Agenda Item <u>2</u>

**ORDER APPROVING A SETTLEMENT AGREEMENT AND  
A REMEDIATION AGREEMENT CONCERNING THE HATCO SITE  
AND APPROVING AN ASSOCIATED PROFESSIONAL SERVICE AGREEMENT AND  
AUTHORIZING TRANSACTIONS THEREUNDER**

Upon the motion (the "Motion")<sup>1</sup> of the Debtors for the entry of an Order approving the Settlement Agreement and Remediation Agreement and authorizing transactions thereunder and approving the professional service agreement with Marsh and authorizing transactions thereunder; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and this Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been given; and after due deliberation and it appearing that sufficient cause exists for granting the requested relief and that the relief requested under the Motion is in the best interests of the Settling Debtors' estates and creditors;

**IT IS HEREBY ORDERED THAT:**

1. The Motion is GRANTED.
2. The Settlement Agreement is hereby approved. The Settling Debtors are authorized to execute the Settlement Agreement. The Settling Debtors are authorized to execute

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<sup>1</sup> Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

and deliver any documents or other instruments or take any actions that may be reasonably necessary to consummate the transactions and resolutions contemplated thereunder.

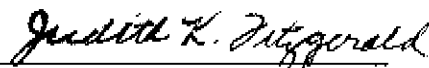
3. The Remediation Agreement is hereby approved. Grace and Remedium are authorized to execute the Remediation Agreement. The Settling Debtors are authorized to execute and deliver any documents or other instruments or take any actions that may be reasonably necessary to consummate the transactions and resolutions contemplated thereunder.

4. The Natural Resource Damages Settlement Agreement is hereby approved. The Settling Debtors are authorized to execute the Natural Resource Damages Settlement Agreement. The Settling Debtors are authorized to execute and deliver any documents or other instruments or take any actions that may be reasonably necessary to consummate the transactions and resolutions contemplated thereunder.

5. The Letter Agreement is hereby approved. The Settling Debtors are authorized to execute the Letter Agreement. The Settling Debtors are authorized to execute and deliver any documents or other instruments or take any actions that may be reasonably necessary to consummate the transaction contemplated thereunder, including the remittance to Marsh of the Success Fee in the amount of \$330,000.

6. This Court retains jurisdiction to determine all matters arising from or relating to this Order.

Dated: May 12, 2005

  
The Honorable Judith K. Fitzgerald  
United States Bankruptcy Judge